



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2339 (1945)
August 5, 1991

SUBJECT: National and State Office Monitoring of Emergency
(EM) Loan Processing

TO: State Directors, District Directors, and County
Supervisors

ATTN: Farmer Programs Chiefs

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is intended to inform affected States of National Office assessment visits to ensure that EM loans are processed in accordance with FmHA Instruction 1945-D.

COMPARISON WITH PREVIOUS AN:

There has been no previous AN issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

In a recent audit of the EM Program, the Office of the Inspector General (OIG) concluded that neither the National Office nor the State Offices have sufficiently participated in and monitored the EM loan program to ensure compliance with FmHA regulations. Due to inadequate oversight, conditions reported in prior audits have been allowed to continue in spite of agreed-to corrective action.

In an effort to correct the deficiencies cited in the OIG audits, the National Office will conduct onsite assessment reviews when widespread disasters occur to ensure that EM loans are being properly processed. Disaster designation letters have been revised to alert State Directors of the possibility of such visits; those States receiving substantial numbers of EM loan applications will be further notified in writing by the Director, Farmer Programs Loan Making Division, of the exact dates of the National Office assessment reviews.

EXPIRATION DATE: July 31, 1992

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1945-D

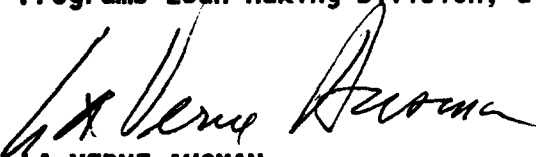


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Secretary of Agriculture, Washington, D.C. 20250

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The review team will consist, as a minimum, of a Loan Officer from the National Office, Farmer Programs Loan Making Division, and a member of the State Farmer Programs staff. The County Offices to be visited will be those with the largest number of EM loan applications to be processed. The team will review loans BEFORE approval for compliance with FmHA Instruction 1945-D and to prevent recurrence of OIG findings.

Questions regarding this AN should be directed to Penny R. Lott, Farmer Programs Loan Making Division, at (202) 382-1656, or FTS 382-1656.


LA VERNE AUSMAN
Administrator

Sent by Time Delay Option to States at 8:00 on 8/8; to Districts at 10:00 on 8/8; and Counties at 12:00 on 8/8 by GSS.